



For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 5 3 9 7 9 8 4

Company name in full Geothermal International Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Gary N

Surname Lee

3 Administrator's address

Building name/number C/O Begbies Traynor

Street 340 Deansgate

Post town Manchester

County/Region

Postcode M 3 4 L Y

Country

4 Administrator's name ①

Full forename(s) Paul

Surname Stanley

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number C/O Begbies Traynor

Street 340 Deansgate

Post town Manchester

County/Region

Postcode M 3 4 L Y

Country

② Other administrator

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	^d <div>3</div>	^d <div>0</div>	^m <div>0</div>	^m <div>9</div>	^y <div>2</div>	^y <div>0</div>	^y <div>2</div>	^y <div>3</div>
To date	^d <div>2</div>	^d <div>7</div>	^m <div>0</div>	^m <div>3</div>	^y <div>2</div>	^y <div>0</div>	^y <div>2</div>	^y <div>4</div>

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date	^d <div>2</div>	^d <div>7</div>	^m <div>0</div>	^m <div>3</div>	^y <div>2</div>	^y <div>0</div>	^y <div>2</div>	^y <div>4</div>
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**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Warren Seals**

Company name **Begbies Traynor (Central) LLP**

Address **340 Deansgate**

Manchester

Post town **M3 4LY**

County/Region

Postcode

Country

DX

Telephone **0161 837 1700**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Gary N Lee and Paul Stanley appointed Joint Administrators on 30 September 2021

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as the Company's agents and without personal liability.

Geothermal International Limited (In Administration)

Final Progress Report of the Joint Administrators

Period: 30 September 2023 to 27 March 2024

Important Notice

This final progress report has been produced by the administrators solely to comply with their statutory duty to report to creditors on the progress of the administration. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Geothermal International Limited (In Administration)
"the administration"	The appointment of administrators under Schedule B1 to the Insolvency Act 1986 on 30 September 2021
"the administrators", "we", "our", "us"	Gary N Lee and Paul Stanley of Begbies Traynor (Central) LLP, 340 Deansgate, Manchester, M3 4LY
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	<ul style="list-style-type: none">(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and(ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act.

2. STATUTORY INFORMATION

Name of Company	Geothermal International Limited
Trading name:	N/a
Date of Incorporation:	18 March 2005
Company registered number:	05397984
Company registered office:	C/o Begbies Traynor (Central) LLP, 340 Deansgate, Manchester, M3 4LY

3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Names of administrators:	Gary N Lee and Paul Stanley, Licensed Insolvency Practitioners of Begbies Traynor (Central) LLP, 340 Deansgate, Manchester, M3 4LY
Date of appointment:	30 September 2021
Date of resignation:	N/a
Court:	Business and Property Courts in Manchester
Court Case Number:	CR-2021-MAN-000538
Person(s) making appointment / application:	The directors of the Company
Acts of the administrators:	The administrators act as officers of the court and as agents of the Company without personal liability. Any act required or authorised under any enactment to be done by an administrator may be done by any one or more persons holding the office of administrator from time to time.
Type of Proceedings:	The proceedings are COMI proceedings as defined by the Insolvency (England and Wales) Rules 2016 (as amended)
Extensions of the administration period	The administration was extended with the consent of creditors for a period of 12 months until 29 September 2023 and for a further period of 12 months by order of the court until 29 September 2024

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 30 September 2023 to 27 March 2024.

Receipts

Bank Interest Gross

£1,490 of interest has been received from Barclays Bank plc on funds held in the administration estate bank account. No further interest will be received.

Retentions

£17,339 has been received from our instructed recovery agents, Naismiths Ltd, in relation to retentions recovered. There are no further sums which may be recovered.

Payments

Administrators Fees

£82,805 has been drawn in relation to our approved remuneration, bringing the total amount drawn in the administration to £380,289. Further information can be found in Section 9 of this report.

Archiving

£320 has been paid to Restore Plc in relation to storage costs.

Corporation Tax

£1,138 has been paid to HM Revenue & Customs in respect of amounts due on post administration Company Tax Returns submitted.

Postage

£48 has been paid to Postworks Limited in relation to postage costs incurred in sending case related correspondence.

Quantity Surveyors Fees

£7,780 has been paid to Naismiths Ltd in payment of their professional fees associated with recovering retentions and considering various contract accounts and claims against the Company.

What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 3. There is an analysis for the period of the report and also an analysis of time spent on the case since the date of our appointment.

The details below relate to the work undertaken in the period of the report only. Our previous reports contain details of the work undertaken since our appointment.

General case administration and planning

It is necessary to develop and review the strategy in respect of certain key elements, such as asset realisations, case progression and investigations, dependent upon the specific circumstances of a case.

Periodic reviews as well as internal communications have therefore been carried out in order to ensure that asset realisations are progressing satisfactorily, and that relevant legislation is complied with.

Specific time charged to this category also includes:

- Maintaining the electronic case diary.
- Filing documents and email correspondence to the Virtual Cabinet case file.
- Providing updates to the directors on case progression.
- Preparing and periodically updating our Estimated Outcome Statement in relation to the Net Property and Prescribed Part calculations.

Generally, it is necessary to maintain and file records to demonstrate how the case was administered, and to document the reasons for any decisions that materially affect the case.

This has not benefitted creditors financially but was necessary in accordance with insolvency legislation

Compliance with the Insolvency Act, Rules and best practice

In accordance with the Act and Rules we have issued our interim report to creditors and members within one month of the six month anniversary, this has also been filed at Companies House.

We have also continued to ensure that the case is adequately bonded (an insurance to protect the interests of creditors in the potential asset realisation on a case).

This category includes cashiering duties, such as banking funds, maintaining accounting records and invoicing in respect of remuneration and disbursements, which is mainly undertaken by our support staff throughout the duration of the case.

Time charged during the period of this report also includes the preparation and submission of this Final Report to creditors and the registrar.

We have complied with / carried out these duties during the period of this report. Although this work has not benefitted creditors financially, it was still necessary in accordance with insolvency legislation.

Realisation of assets

Our primary duty is to identify and realise the value of the Company's property for the benefit of creditors.

Time has been spent liaising with Naismiths Ltd to oversee the process and enquire into the retentions on our behalf. These efforts have now been completed resulting in a portion of the disputed retentions being released into the administration estate.

This work has benefitted the secured creditor financially as recoveries have allowed greater distributions to be paid under their floating charge and has also enhanced the distribution to unsecured creditors via the prescribed part fund.

Dealing with all creditors' claims (including employees), correspondence and distributions

We are required to log creditor claims, and respond to general correspondence received, including dealing with any creditors who have claimed retention of title on goods supplied. Time has also been apportioned to adjudicating and admitting creditor claims.

The amount shown includes the work associated with:

- Considering contingent creditor claims and liaising with Quantity Surveyors.
- Adjudicating on creditor claims which included admitting claims and calling for additional information in support of claims.
- Calculating and issuing interim and final distributions to the Qualifying Floating Charge Holder.
- Calculating and issuing interim and final distributions to the unsecured creditors via the Prescribed Part fund.

Although this work has not enhanced recoveries for creditors, it is necessary to ensure queries were dealt with in a timely manner and the Rules require creditors' claims to be adjudicated before a distribution can be made.

Other matters which includes seeking decision of creditors via deemed consent procedure and/or decision procedures, meetings, tax, litigation, pensions and travel

Time posted to this Category relates to corresponding with the Company's consultants regarding contingent creditor claims and retentions, completing and uploading VAT returns and settling invoices for professional services rendered.

Whilst this work has not financially benefitted creditors, it has still been necessary to comply with our statutory requirements and allow orderly progression of the case.

5. OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in our statement of proposals.

Secured creditor

£570,137 has been paid to ESB Novus Modus LP under their floating charge.

Preferential creditors

There are no known preferential claims.

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Details of how the prescribed part is calculated have previously been provided in our statement of proposals and in previous progress reports.

We have estimated, to the best of our knowledge and belief, the Company's net property, as defined in Section 176A(6) of the Act, to be £716,411 and the prescribed part of the Company's net property available to unsecured creditors to be £103,782.

Unsecured creditors

The following distributions were paid to unsecured creditors from the prescribed part calculated above.

- An interim distribution of 1.78 pence in the pound, totalling £33,083, was paid on 8 August 2023.
- A final distribution of 3.80 pence in the pound, totalling £70,699, was paid on 26 February 2024.

Exit from administration

Once the Notice of move from administration to dissolution (Form AM23) has been registered (which we anticipate shortly), our appointment as administrators will cease to have effect and, unless the court makes an order otherwise, the Company will be deemed to be dissolved at the end of the period of three months from the date of registration of the notice.

6. ADMINISTRATORS' PROPOSALS

Attached at Appendix 2 is a summary of our proposals as deemed approved under Rule 3.38(4) of the Rules in the absence of an initial meeting of creditors.

7. SUMMARY OF STEPS TAKEN DURING THE ADMINISTRATION

The main areas of work undertaken by the Administrators and their staff during the administration period are as follows:

- At the initial stage of the Administration all statutory insolvency documents were filed at Companies House
- Notice of our appointment was advertised in the London Gazette and was also given to all interested parties
- Strategic case planning has been undertaken
- Input details of the Company's creditors into the IPS case management system
- Set up internal files and systems to manage the case
- Held internal discussions and meetings regarding the strategy of the case
- Corresponding with solicitors in relation to the validity of ESB Novus Modus LP's charge.
- General administration of the case which included filing of documents, setting up files, copying and circulating creditors' letter, bank account and internal insurance bond
- Prepared our Report and Statement of Proposals
- Sought legal advice and took steps to deal with the Company's Polish subsidiary which included preparing an internal file note documenting the relevant decisions made.
- Gained access to the Company's books and records including management accounts, access to the cloud accounting software, and historical contracts, which included attending the former registered office.
- Dealt with the lease at Unit 2 Cavans Way, Coventry, CV3 2SF in understanding the informal occupation and attempting to come to an arrangement with the current occupiers, ESB Innovation UK Limited and the landlord, EHB Reeves Limited, all the while corresponding with our solicitors to ensure the correct approach was taken. This included securing payment in respect of outstanding rent in order to agree a surrender with the landlord and meet their costs, obtaining details on meter readings, confirmation of removal of chemicals and making payment of arrears and building insurance.
- Instructed VAT specialists to assist with our reclamation of a c£60,000 VAT refund for the period immediately prior to the administration, which was initially rejected by HM Revenue & Customs.
- A review of the Company's Sale of Business & Assets conducted prior to our appointment which included realising the Working Capital Resource Sum of £170,000. A large proportion of time was spent in liaising with the directors and others in reviewing the Asset Purchase Agreement and supporting Excel spreadsheets when reconciling the position.
- Liaised with the Company's directors and accountants and arranged preparation and submission of the pre-appointment Corporation Tax returns including requesting quotes and the necessary information to allow for the work to be completed.
- Time has been spent liaising with various parties to understand the position and the implications regarding the role of the Senior Accounting Officer for the Company and providing the necessary notice to HM Revenue & Customs.
- Corresponded with directors of the Company as well as Naismiths Ltd regarding the collection of the retentions and charges associated with.
- Sought advice and instructed solicitors to apply to Court for an extension of the administration for the period of 12 months, which included preparing witness statements and filing the relevant forms.
- Held meetings, both in person and virtually, with Quantity Surveyors and solicitors in relation to the contingent claims in respect of sub-contract agreements and collateral warranty guarantees. Substantial amounts of time have been incurred in trying to gain access to information from the directors of the company, the purchasers (ESB Innovation UK Limited) and their relevant contactors.
- Adjudicated on creditor claims. In the process of adjudicating creditors' claims, we encountered a number of contingent claims. These claims encompassed costs that had already been incurred, secondary repair expenses, and potential replacement costs. Considering the complexity of these claims, we sought expert guidance by engaging Naismiths Limited, to

facilitate the adjudication process. This step was crucial to ensure the accurate admission of these claims for distribution purposes.

- Corresponded with the Qualifying Floating Charge Holder regarding creditors decisions.
- Prepared our previous interim progress reports.
- Prepared this final progress report.

8. PRE-ADMINISTRATION COSTS

On 1 December 2021 the following amounts in respect of unpaid pre-administration costs were approved by the secured creditor in accordance with Rule 3.52 of the Rules:

Description	Name of recipient	Net amount £	VAT £	Gross amount £
Our fees in relation to the Work	Begbies Traynor	£19,219	£3,843.80	£23,062.80

These pre-administration costs have been discharged in full.

9. REMUNERATION & EXPENSES

Our remuneration has been fixed by reference to the time properly given by us and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters as set out in the fees estimates in the amount of £152,101.55.

Our original fees estimate was increased by £93,477.58 on 25 April 2022, £51,905 on 3 November 2022, £20,820 on 24 May 2023, £16,985 on 31 October 2023 and £45,000 on 20 February 2024. This makes the total amount of our approved remuneration £380,289.13.

We are also authorised to draw expenses, including expenses for services provided by our firm and/or entities within the Begbies (defined as category 2 expenses in Statement of Insolvency Practice 9), in accordance with our firm's policy, details of which accompanied the Statement of proposals for achieving the purpose of administration and which are attached at Appendix 2 of this report.

Our time costs for the period from 30 September 2023 to 27 March 2024 amount to £44,796 which represents 123 hours at an average rate of £3631 per hour.

The following further information in relation to our time costs and expenses is set out at Appendix 3:

- ☐ Time Costs Analysis for the period 30 September 2023 to 27 March 2024
- ☐ Cumulative Time Costs Analysis for the period 30 September 2021 to 27 March 2024
- ☐ Begbies Traynor (Central) LLP's charging policy

Time Costs Analysis

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case and gives the total costs and average hourly rate charged for each work type. An additional analysis is also attached which details the time costs for the entire period for which we have administered the administration.

Please note that each analysis provides details of the work undertaken by us and our staff following our appointment only.

To 27 March 2024, we have drawn the total sum of £380,289 on account of our remuneration, against total approved time costs of £380,289 incurred since the date of our appointment. In addition to the time costs information disclosed at Appendix 2 for the period since our last progress report, our previous progress reports contained details of the time costs we had incurred as at the date of each report.

What was the anticipated payment for administering the case in full and did the joint administrators receive that payment?

We initially estimated that the cost of administering the case would be in the region of £152,102, and subsequently you provided approval for us to draw our remuneration up to that level. We anticipated that the remuneration drawn would also be in the region of £152,102 based on the value of assets to realise and the estimated costs to be discharged. However, as creditors will note, as the case has evolved, it was necessary to seek additional remuneration from creditors and the final estimated costs of administering the entire case totalled £380,289.13.

Details of what remuneration has been drawn is detailed above. All additional costs incurred over and above what has been approved are to be written off.

Category 1 & 2 Expenses

Details of expenses incurred and discharged may be found at Appendix 4 of this report.

A copy of 'A Creditors Guide to Administrators' Fees (E&W) 2021' which provides guidance on creditors' rights on how to approve and monitor an Administrator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

10. EXPENSES

A statement of the expenses incurred and discharged by us during the period of this progress report is attached at Appendix 4. A cumulative statement of expenses also appears at Appendix 4 which details the expenses incurred since the date of our appointment.

Creditors will recall that we estimated that the expenses of the administration would total £24,126. Unfortunately, the expenses that we have incurred so far have exceeded that estimate. Our previous progress reports outlined the reasons why the estimate has been exceeded and gave a provision for future expenses that were expected to be incurred.

11. CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors including that creditor (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses (other than pre-administration costs) which have been incurred during the period of this progress report.

Right to make an application to court

Pursuant to Rule 18.34 of the Rules, any secured creditor or an unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may within eight weeks of receipt of this progress report make an application to court on the grounds that the remuneration charged or the expenses incurred by us during the period of this progress report are excessive or, in relation to the basis fixed for our remuneration, inappropriate.

12. ASSETS THAT REMAIN TO BE REALISED

There are no assets of the Company that remain to be realised.

13. OTHER RELEVANT INFORMATION

Connected party transactions

Other than the sale of the business and assets to ESB Innovation UK Limited in December 2018, we have not been made aware of any other sales of the Company's assets to connected parties.

Extension of administration

The administration was extended with the consent of creditors for a period of 12 months until 29 September 2023 and for a further period of 12 months by order of the court until 29 September 2024.

Use of personal information

Please note that although the administration is being concluded, in discharging our remaining duties as Joint Administrators, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

14. CONCLUSION

Finally, we have obtained consent of the secured creditor to our discharge as administrators by a resolution passed pursuant to Paragraph 98 of Schedule B1 to the Act with the date of our discharge to coinciding with the date on which our appointment as administrators ceases to have effect.



Gary Lee
Joint Administrator

Date: 27 March 2024

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 30 September 2023 to 27 March 2024

Statement of Affairs	From 30/09/2023 To 27/03/2024	From 30/09/2021 To 27/03/2024
£	£	£

SUMMARY OF ADMINISTRATORS' PROPOSALS, INCLUDING MAJOR AMENDMENTS TO AND DEVIATIONS FROM THEM

Proposals deemed approved under Rule 3.38(4) of the Insolvency (England and Wales) Rules 2016 (as amended).

Purpose of the Administration

We are required to set out our proposals for achieving the purpose of the administration which in this context means one of the objectives specified in paragraph 3 of Schedule B1 to the Act as set out at section 3 of this report above.

For the reasons set out in this report, we presently consider that it is not reasonably practicable to achieve either of the objectives specified in sub-paragraph 3(1)(a) and 3(1)(b), and consequently the most appropriate objective to pursue in this case is that specified in sub-paragraph 3(1)(c), namely realising property in order to make a distribution to one or more secured or preferential creditors. Furthermore, we consider that pursuing this objective should not unnecessarily harm the interests of the creditors of the Company as a whole.

As outlined above, the business and trade were sold at the end of 2018 to ESB Innovation UK Limited. As a result, it was not reasonably practicable to achieve the objective specified in sub-paragraph 3(1)(a), namely rescuing the Company as a going concern or the objective specified in sub-paragraph 3(1)(b), namely achieving a better result for the Company's creditors as a whole than would be likely if the company were wound up (without first being in administration).

Details of proposals

In order that the purpose of the administration may be fully achieved, we propose to remain in office as administrators in order to conclude the realisation of the Company's property and to agree claims of the unsecured creditors to enable distribution of the prescribed part. The principal matters to deal with in this respect are:

- Crystallise and adjudicate on the potential claims held by contingent creditors.
- Consider prospects of recovery on the retentions.
- Collect the sundry refund due to the Company as detailed in Appendix 2.
- Conclude the winding up of the Company's Polish subsidiary.
- Completion of reports and reviews on a timely basis.
- Payment of a dividend to the secured creditor and unsecured creditors in accordance with the prescribed part; and
- Conclusion of statutory duties.

It is proposed that:

1. The Joint Administrators propose to realise the assets and undertakings of the Company in such a manner as they consider appropriate with a view to achieving the purposes set out in Paragraph 3(1)(c) of Schedule B1 to the insolvency Act 1986.
2. The Joint Administrators propose to take all necessary actions to preserve the value of the Company's assets.

3. The Joint Administrators propose to be remunerated on the basis of their hourly costs at scale rates calculated on the time properly spent in the course of the administration and may draw their remuneration on account as and when funds permit.

Remuneration drawn will be notified to any creditors' committee appointed under paragraph 57 of Schedule B1 to the Act. The Joint Administrators will be reimbursed for their incidental expenses and be authorised to draw disbursements, including disbursements for services provided by their firm, in accordance with their firm's policy. In the absence of a creditors' committee, details of time incurred and disbursements drawn will be reported to creditors in accordance with Statement of Insolvency Practice 9 issued by the Joint insolvency Committee on behalf of the Administrators' licensing bodies.

A copy of this Firm's policy note on fees and disbursements, to include details of the hourly rates charges by the relevant grades of staff, together with a summary of time costs and our fee estimate are attached at Appendix 3.

4. As it is presently expected there will be funds available, in accordance with the prescribed part, to enable a distribution to the unsecured creditors. As soon as we are satisfied that we have fully discharged our duties as administrators and that the purpose of the administration has been fully achieved, the Joint Administrators propose to apply for dissolution of the Company under the provisions of Paragraph 84 of Schedule B1 to the insolvency Act 1986.
5. If it transpires that there will be surplus funds from the Administration, the Joint Administrators propose to move from Administration to Creditors Voluntary Liquidation under the provisions of Paragraph 83 of Schedule B1 to the Insolvency Act 1986. It is proposed that the Joint Administrators be appointed Joint Liquidators of the Company in accordance with Paragraph 83(7) and Rule 360(6) of the insolvency Rules 2016; creditors may nominate a different person to be Liquidator provided that the nomination is made after receipt of the proposals and before the proposals are approved.
6. Once the Administration is complete and the Administrators think the purpose of the Administration has been achieved, then the creditors, in accordance with paragraph 98(2) of Schedule B1 to the Insolvency Act 1986, hereby consent to the Administrators being discharged from liability in respect of any actions as Administrators. The discharge from liability will take effect from the date the Administration Order is discharged.
7. These proposals shall be subject to such modifications or conditions as the Court may approve or impose.
8. These proposals are conditional upon the passing of a resolution set out in the correspondence between the creditors and the Administrators and subject to such modifications as the Administrators may approve.

Exit from Administration

Dissolution

On present information we consider that the Company will have insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of the prescribed part. Consequently, as soon as we are satisfied that we have fully discharged our duties as administrators and that the purpose of the administration has been fully achieved, we propose to deliver a notice of moving from administration to dissolution to the Registrar of Companies. Upon the registration of such notice our appointment as administrators ceases to have effect, and at the end of three months the Company will automatically be dissolved.

Where an administrator sends such a notice of dissolution to the Registrar of Companies, he must also file a copy of the notice with the court and send a copy to each creditor of the Company, and on application by any interested party the court may suspend or disapply the automatic dissolution of the Company.

Creditors' Voluntary Liquidation

We confirm that the secured creditor of the Company is likely to receive a distribution, and that a distribution to unsecured creditors is unlikely; however, in the event that available funds permit a distribution of this nature, which is not the prescribed part, a CVL would be necessary.

We have the power to make a distribution of the prescribed part to unsecured creditors in the administration but any other distribution to them requires the permission of court. It is considered that the court will only grant such permission in exceptional circumstances where the normal course for making distributions to unsecured creditors in a voluntary liquidation is inappropriate. Additionally, there may be matters for enquiry concerning a company's affairs which are not within the scope of an administrator's powers and which can only be properly dealt with by a liquidator.

Consequently, as soon as we are satisfied that we have fully discharged our duties as administrators and that the purpose of the administration has been fully achieved, we propose to deliver a notice of moving from administration creditors' voluntary liquidation to the Registrar of Companies. Upon the registration of such notice our appointment as administrators shall cease to have effect and the Company will automatically be placed into liquidation. Paragraph 83(7) provides:

The liquidators for the purpose of the winding up shall be-

- (a) a person nominated by the creditors of the company in the prescribed manner and within the prescribed period, or
- (a) if no person is nominated under paragraph (a), the administrator.

We confirm that as part of our proposals we propose that we, or in the event of there being a subsequent change of persons appointed as administrator, the individuals in office as such immediately prior to the Company being placed into liquidation, do act as joint liquidators in the subsequent winding up of the Company. Creditors may nominate a different person as the proposed liquidator provided that the nomination is made after the receipt of the proposals and before the proposals are approved. The appointment of a person nominated as liquidator takes effect by the creditors' approval, with or without modification, of our proposals.

It is proposed that for the purpose of the winding up, any act required or authorised under any enactment to be done by the joint liquidators is to be done by all or any one or more of the persons for the time being holding office.

Extending the Administration

However, it may transpire that it is not possible to finalise the administration as envisaged within one year of the date of our appointment. The appointment of an administrator shall cease to have effect at the end of the period of one year beginning with the date on which it takes effect. However, our term of office may be extended either by court order for a specified period or by consent of the creditors for a specified period not exceeding twelve months. It may therefore become necessary at some future time for us to seek creditor consent to extending the period of the administration for up to a further twelve months following the anniversary of our appointment in order to ensure that the objective of the administration can be fully achieved.

COSTS AND EXPENSES

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Costs Analysis for the period from 30 September 2023 to 27 March 2024; and,
- c. Cumulative Time Costs Analysis for the period from 30 September 2021 to 27 March 2024.

BEGBIES TRAYNOR (CENTRAL) LLP'S CHARGING POLICY

INTRODUCTION

This policy applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the creditors' decision being made for the office holder to be remunerated on a time cost basis. Best practice guidance* requires that such information should be disclosed to those who are responsible for approving the basis of an office holder's remuneration. Within our fee estimate creditors can see how we propose to be remunerated.

In addition, this policy applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance* indicates that such charges should be disclosed to those who are responsible for approving the basis of the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of their staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded in 6 minute units at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Expenses are payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements, which are expenses that are initially paid by the office holder's own firm, but which are subsequently reimbursed from the estate when funds are available.

Best practice guidance classifies expenses into two broad categories:

- ❑ Category 1 expenses (approval not required) - Specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ Category 2 expenses (approval required) - Items of expenditure that are directly related to the case and either:
 - (i) include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party; or
 - (ii) are items of expenditure which are payable to an associate of the office holder and/or their firm.

* STATEMENT OF INSOLVENCY PRACTICE 9, (SIP9) – PAYMENTS TO INSOLVENCY OFFICE HOLDERS AND THEIR ASSOCIATES FROM AN ESTATE

Shared or allocated costs (pursuant to (i) above)

The following expenses include an element of shared or allocated cost and are charged to the case (subject to approval).

- ☐ Internal meeting room usage for the purpose of physical meetings of creditors is charged at the rate of £100 per meeting;
- ☐ Car mileage which is charged at the rate of 45 pence per mile.

Payments anticipated to be made to associates (pursuant to (ii) above)

Services provided by other entities within the Begbies Traynor group

The following expenses which relate to services provided by an entity within the Begbies Traynor group, of which the office holder's firm is a member, are also to be charged to the case (subject to approval):

It may become necessary to instruct Eddisons Commercial Limited to provide additional services, not currently anticipated, during the course of the case. In such circumstances and to avoid the costs associated with seeking further approval, the charges for such services will be calculated on a time costs basis at the prevailing hourly rates for their various grades of staff which are currently as follows:

Grade of staff	Charge-out rate (£ per hour)
Director	£275
Associate	£180
Surveyor	£120
Graduate	£100
Administration	£80
Porters	£35

Instruction of Eddisons Insurance Services Limited ("EIS") to provide insurance broking services and specifically open cover insurance for the insurable risks relating to the case. The cost of open cover insurance will vary during the course of the case depending upon the value of the assets and liability risks. The forecasted cost of insurance for the 3 month period immediately following appointment is presently unknown. The costs of insurance cover for subsequent quarter periods will be dependent upon prevailing insurance market conditions and the ongoing insurable risks on the case. Where relevant, administration fees may be charged. These costs are taken into consideration and included within the forecasted cost of insurance, above.

In accordance with standard insurance industry practice, EIS will receive payment of commission for the services it provides from the insurer. The commission is calculated as a percentage of the insurance premiums payable and such percentage will depend upon the class or classes of assets being insured.

EIS will invoice the insolvent estate for the premium(s) due on the insurer's behalf and receive payment from the estate. EIS will in turn, account to the insurer for the premium(s) payable after deducting any commission payable by the insurer.

Where EIS have initially been consulted on a policy, but the policy has not been taken out, EIS will charge an administration fee of £150.

Additional payments received by Eddisons Commercial Limited from purchasers where assets are disposed of by way of auction

In addition to the charges of Eddisons Commercial Limited detailed above for providing the services to the office holder, where any machinery and business assets (other than freehold/leasehold property) are disposed of by way of auction, Eddisons Commercial Limited will also receive a payment from the purchaser, known as a buyer's premium, equivalent to 15% of the successful bid. Where any freehold/leasehold property is disposed of by way of auction, Eddisons Commercial Limited will also receive a payment from the purchaser, known as a buyer's administration fee, in the sum of £600. It is standard auction industry practice for a buyer's premium and buyer's administration fee to be charged. The buyer's premium and buyer's administration fee is paid by the purchaser of the assets and is not paid by the office holder from the assets of the estate.

General Office Overheads.

The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a Category 1 disbursement:

- ☐ Telephone and facsimile
- ☐ Printing and photocopying
- ☐ Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally but vary to suit local market conditions. The rates applying to the Manchester office as at the date of this report are as follows:

Grade of staff	Charge-out rate range (£ per hour) 10 July 2023 until further notice
Appointment taker/partner	560-640
Managers/directors	415-540
Other professional	215-300
Junior professional/support	170

Prior to 10 July 2023, the following rates applied:

Grade of staff	Charge-out rate (£ per hour) 1 January 2022 to 9 July 2023
Partner	545
Director	490
Senior Manager	435
Manager	380
Assistant Manager	275
Senior Administrator	240
Administrator	195
Junior Administrator	155
Cashier	155
Secretarial	155

Prior to 1 January 2022 the following rates applied:

Grade of staff	Charge-out rate (£ per hour) 1 December 2018 To 31 December 2021
Partner	495
Director	445
Senior Manager	395
Manager	345
Assistant Manager	250
Senior Administrator	225
Administrator	175
Junior Administrator	140
Support	140

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead. As detailed above, time is recorded in 6 minute units.

SIP9 Geothermal International Limited - Administration - 10GE270.ADM : Time Costs Analysis From 30/09/2023 To 27/03/2024

[illegible]

SIP9 Geothermal International Limited - Administration - 10GE270.ADM : Time Costs Analysis From 30/09/2021 To 27/03/2024

Staff Grade		Consultant/Partner	Director	Snr Mgr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning	116.2	2.7		3.4	80.7	45.1				248.1	98,619.50	397.50
	Administration	13.2	0.2			0.2	70.1	1.0	12.9		97.6	26,795.00	264.29
	Total for General Case Administration and Planning:	129.4	2.9		3.4	80.9	115.2	1.0	12.9		345.7	124,414.50	359.89
Compliance with the Insolvency Act, Rules and best practice	Appointment	5.0	0.2			6.1	1.1				12.4	4,338.00	349.84
	Banking and Bonding	12.4	4.2		1.1	1.4	22.7	3.1		22.7	67.6	18,969.50	280.61
	Case Closure				0.4		11.4		0.4		12.2	3,255.00	266.80
	Statutory reporting and statement of affairs	20.3	0.2		1.5	43.1	65.5				130.6	38,522.00	294.96
	Total for Compliance with the Insolvency Act, Rules and best practice:	37.7	4.6		3.0	50.6	100.7	3.1	0.4	22.7	222.8	65,084.50	292.12
Investigations	CDCA and investigations	9.2				24.0	15.7		37.2		86.1	20,028.00	232.61
	Total for Investigations:	9.2				24.0	15.7		37.2		86.1	20,028.00	232.61
Realisation of assets	Debt collection	6.3				1.7	4.1				12.1	4,842.00	400.17
	Property, business and asset sales	79.5				23.5	4.2				107.2	49,445.00	461.24
	Retention of Title/Third party assets	21.6				0.6	17.2				39.4	15,883.50	403.13
	Total for Realisation of assets:	107.4				25.8	25.5				158.7	70,170.50	442.16
Trading	Trading												0.00
	Total for Trading:												0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured	9.7			0.5	7.9	4.4				22.5	9,023.50	401.04
	Others	79.4	0.6		6.4	44.4	70.2				201.0	74,325.00	369.78
	Creditors committee												0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:	89.1	0.6		6.9	52.3	74.6				223.5	83,348.50	372.52
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors	0.5			0.3	0.3	3.0				4.1	1,222.00	298.05
	Meetings						19.5				19.5	4,523.50	231.97
	Other					1.1	7.4				8.5	1,942.50	228.53
	Tax	18.6	0.9		0.6	21.7	29.7		2.6		74.1	24,415.50	329.49
	Litigation												0.00
	Total for Other matters:	19.1	0.9		0.9	23.1	59.6		2.6		106.2	32,103.50	302.29
	Total hours by staff grade:	391.9	9.0		14.2	256.7	391.3	4.1	53.1	22.7	1,143.0		
	Total time cost by staff grade £:	210,438.50	4,513.00		5,882.50	68,120.00	94,248.50	763.50	7,618.50	3,565.00		395,149.50	
	Average hourly rate £:	536.97	501.44	0.00	414.26	265.37	240.86	186.22	143.47	157.05			345.71
	Total fees drawn to date £:											380,289.13	

STATEMENT OF EXPENSES FOR THE PERIOD 30 SEPTEMBER 2023 TO 28 MARCH 2024

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Archiving	Restore Limited	320.00	(320.00)	Nil
Corporation Tax	HM Revenue & Customs	1,138.08	(1,138.08)	Nil
Postage	Postworks Limited	47.68	(47.68)	Nil
Quantity Surveyors Fees	Naismiths Limited	7,780.00	(7,780.00)	Nil

CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount Discharged £
Accountancy Fees & Disbursements	MHA MacIntyre Hudson	4,590.00	(4,590.00)
Archiving	Restore Limited	545.75	(545.75)
Bonding	AUA Insolvency Risk Services Limited	148.50	(148.50)
Building Insurance	ehB Reeves	486.97	(486.97)
Legal Fees & Disbursements	Eversheds Sutherland DLA Piper	28,389.50	(28,389.50)
Mileage (Category 2)	Begbies Traynor	109.35	(109.35)
Postage	Postworks Limited	280.20	(280.20)
Quantity Surveyors Fees	Naismiths Limited	15,382.50	(15,382.50)
Rent Arrears	ehB Reeves	7,875.00	(7,875.00)
Statutory Advertising	Courts Advertising Limited	208.53	(208.53)
Tax Advisors Fees	Solve VAT	1,000.00	(1,000.00)
Travel	M6 Toll	14.00	(14.00)
Company Search	Companies Registration Office of Ireland	13.33	(13.33)
Counsel Fees	Eversheds Sutherland	750.00	(750.00)
Court Fees	Eversheds Sutherland	99.00	(99.00)
Corporation Tax	HM Revenue & Customs	1,138.08	(1,138.08)